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**Statement  
Of  
Anthem Blue Cross and Blue Shield  
On  
SB 16 An Act Exempting Municipalities From The Insurance Premium Tax**

Good Morning Senator Crisco, Representative Fontana and members of the Insurance Committee, my name is Christine Cappiello and I am the Director of Government Relations for Anthem Blue Cross and Blue Shield in Connecticut. I am here today to speak in strong support of **SB 16 An Act Exempting Municipalities From The Insurance Premium Tax.**

Municipalities, like many other employers, are facing the increasing cost of healthcare. Coupled with the constant struggle that they face to keep property taxes down, this bill is one way where many municipalities can achieve both. Currently, if a municipality is fully insured, as most medium and small towns are, they are required under Connecticut law to pay the 1.75% premium tax to the state. Under this proposal, those towns will no longer have to pay the state this tax and relieve some of the burden that they face.

We have done an analysis of the potential cost impact to the state in terms of lost revenue due to the elimination of the premium tax. Our cost estimates for the fully insured municipalities who purchase health insurance through Anthem is about \$6.3 million.

Again, Anthem Blue Cross and Blue Shield strongly supports this bill and we are available to assist legislators in your deliberation of this legislation and provide further information.